EXHIBIT 2

PHILLIPS – VAN HEUSEN CORPORATION
200 MADISON AVENUE • NEW YORK, NY 10016 • (212) 381-3500

April 27, 2007

BY FAX AND CERTIFIED MAIL
RETURN RECEIPT REQUESTED

International Home Textiles, Inc.
19401 West Dixie Highway
Miami, Florida 33180
Attention: Salo Grosfeld, President

Dear Mr. Grosfeld:

Reference is made herein to the license agreements between Phillips-Van Heusen Corporation ("PVH") and International Home Textiles, Inc. ("Licensee") dated as of January 1, 2006 (as previously amended, the "License Agreement"). Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed thereto in the License Agreement.

PVH hereby terminates the License Agreement immediately pursuant to Sections 8.3(a), (d), (g), and (i) thereof. More specifically, Licensee is in material breach of the License Agreement by virtue of the following (note this is not intended to be an exhaustive list):

1. its failure to use commercially reasonable efforts to exploit the License granted thereunder,
2. its failure to meet Minimum Sales requirements for the first Annual Period
3. its failure to pay the Advertising Obligation from the last three quarters of the first Annual Period totaling $71,691,
4. its failure to pay $298,897 in Guaranteed Minimum Royalty payments for the first Annual Period;
5. its failure to submit Royalty Statements for the last two quarters of the first Annual Period and pay Percentage Royalties owed, if any;
6. its failure to submit the Marketing Expenditure form for during the first Annual Period (We note that the Marketing Obligation for the first Annual Period was $146,570, and if any amount was not spent during such Annual Period and not

spent during the first 90 days of the second Annual Period, such amount must be paid over to PVH absolutely);

7. its failure to submit the Licensing Forecast for the first or second Annual Periods;
8. its sale of Close-Outs during the first Annual Period in excess of the amounts permissible pursuant to Section 6.15.2 of the License Agreement (for which $43,111 in additional royalties is still owing pursuant to Section 6.16 of the License Agreement);
9. its sale of Licensed Products to J.C. Penney in the first Annual Period in excess of the amounts permissible pursuant to Section 6.14 of the License Agreement (for which $29,564 in additional royalties is still owing pursuant to Section 6.16 of the License Agreement);
10. its taking of deductions in excess of amounts permissible under the License Agreement (for which $3,100 is still owing); and
11. its failure to submit evidence of proper insurance coverage in accordance with Section 9.4.5 of the License Agreement.

Although PVH has had numerous communications with Licensee regarding the outstanding obligations, and Licensee has even acknowledged that it does owe a significant balance, PVH has not yet received any payments. Therefore, PVH has no choice but to terminate all rights granted to Licensee under the License Agreement in accordance with Section 8.3 thereof. Such termination shall be effective immediately, and Licensee shall have no right to affect a cure or to sell Inventory. Pursuant to Section 8.6, Licensee must immediately deliver to PVH an Inventory Schedule. Upon review of such Inventory Schedule, PVH will determine the proper method of disposal for any current Inventory.

Pursuant to Section 8.10(a) of the License Agreement, PVH is entitled to liquidated damages in the amount of $1,200,000. Nonetheless, **solely in an effort to reach a quick and amicable settlement of this matter**, PVH is currently willing to waive its right to collect liquidated damages, any unspent Marketing Obligation, any royalties due on sales in breach of the License Agreement and any other fees currently owing to PVH under the License Agreement, including any fees owing to date with respect to the second Annual Period, provided that Licensee pays to PVH, by no later than May 15, 2007, a sum equal to $370,588, the cumulative amount of the Guaranteed Minimum Royalties and Advertising Obligation due and owing under the License Agreement as of December 31, 2006.

We also note that Licensee still owes $5,313 pursuant to the prior License Agreement between the parties dated as of January 1, 2001 (the "Prior License Agreement") for taking of sales deductions in excess of permissible amounts. Please be advised that if Licensee does accept our current offer, we will also waive our right to collect this amount as well.

Please acknowledge Licensee's understanding of and agreement to the foregoing, including its agreement to pay to PVH $370,588 by no later than May 15, 2007, by signing a copy of this letter below and returning an original to us for our records. We would like to resolve this matter amicably, but in the absence of a timely, favorable response, we will have no choice but to turn this matter over to our litigators and to pursue full recovery in an amount exceeding $466,600 plus liquidated damages as permissible under the License Agreement.

The statement of facts set forth in this letter is not intended to be, nor shall it be deemed to be, a full and complete statement of the facts in this matter. This letter is not intended to be a complete statement of PVH's rights, and shall not, unless Licensee timely accepts the settlement offer contained herein, affect PVH's rights and remedies under the License Agreement.

PHILLIPS-VAN HEUSEN CORPORATION

By________________________________
Mark D. Fischer
Vice President

ACKNOWLEDGED AND AGREED:

INTERNATIONAL HOME TEXTILES, INC.

By________________________________
Name:
Title:
Date:

cc: Mr. Allen Sirkin
Mr. Kenneth Wyse

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*** TX REPORT ***
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TRANSMISSION OK

TX/RX NO	3889
CONNECTION TEL	913059324232
SUBADDRESS	
CONNECTION ID	
ST. TIME	04/27 15:56
USAGE T	01'23
PGS. SENT	4
RESULT	OK

FACSIMILE TRANSMISSION

DATE: 4/27/07

TO: SALO GROSFELD

COMPANY: INTERNATIONAL HOME TEXTILES, INC.

FAX NO.: (305) 932-4232

FROM: HAYLEY WERNER

OF PAGES: 4 (including cover sheet)

MESSAGE:

The following facsimile transmission is being sent [illegible]